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PATENT
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Mail Stop Appeal Brief - Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

On January 25, 2005

TOWNSEND and TOWNSEND and CREW LLP

By: 

Lata Olivier

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE BOARD OF PATENT APPEALS

In re application of:

Ray Frankulin et al.

Application No.: 09/939,233

Filed: August 24, 2001

For: PAGING SYSTEM AND
LOCATION VERIFICATION FOR
REMOTE ACCESS TO WAGERING
SYSTEMS

Customer No. 20350

Examiner: White, Carmen D.

Technology Center/Art Unit: 3714

TRANSMITTAL OF APPELLANT'S
BRIEF UNDER 37 CFR 1.192 (Non-
Compliance)

Mail Stop Appeal Brief - Patents
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

Appellants hereby transmit three (3) copies of the brief required under 37 CFR 1.192 in connection with a **Notification of Non-Compliance** in the above-captioned application. The NOTICE OF APPEAL UNDER 37 CFR 1.191 was filed on April 5, 2004 and received by the Patent and Trademark Office on April 5, 2004.

Appellants hereby request that the fee for filing a brief in support of an appeal, \$330.00, or such greater or lesser amount as the Commissioner may deem is required by 37 CFR 1.17(c), be charged to Deposit Account No. 20-1430. (Fee Transmittal attached)

☒ The brief is being filed under 37 CFR 1.8 and the required Certificate of Mailing appears above.

☐ Appellants hereby request an oral hearing pursuant to 37 CFR 1.194 and hereby request that the fee for filing a request for oral hearing, \$, or such greater or lesser amount as the Commissioner may deem is required by 37 CFR 1.17(d), be charged to Deposit Account No. 20-1430.

☒ Appellants reserve the right to request an oral hearing pursuant to 37 CFR 1.194 following receipt of the Examiner's Answer.

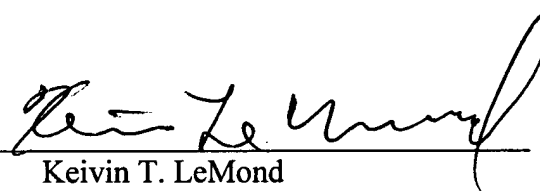
☐ A Petition to Extend Time is enclosed.

Respectfully submitted,

TOWNSEND and TOWNSEND and CREW LLP

Date: 1/25/05

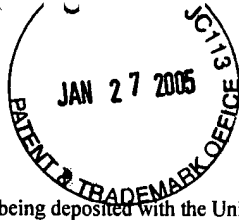
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Enclosures: Appellant's Brief (in triplicate)



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On January 25, 2005

TOWNSEND and TOWNSEND and CREW LLP

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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re application of:

Ray Frankulin et al.

Application No.: 09/939,233

Filed: August 24, 2001

For: PAGING SYSTEM AND
LOCATION VERIFICATION FOR
REMOTE ACCESS TO WAGERING
SYSTEMS

Customer No.: 20350

Confirmation No. 3401

Examiner: WHITE, Carmen D.

Technology Center/Art Unit: 3714

APPELLANTS' BRIEF PURSUANT
TO 37 C.F.R. § 1.192(a) (Non-Compliance
Response)

Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Sir:

In response to the Notification of Non-Compliance communication of January 10, 2005, Appellants hereby submit this Appellants' Brief in triplicate pursuant to 37 C.F.R. § 1.192(a). The Notice of Appeal was filed by facsimile on April 5, 2004. Pursuant to 37 C.F.R. § 1.192(a), this appeal brief is due on February 10, 2005, extensions of time being permitted. The Commissioner is authorized to charge deposit account number 20-1430.

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I. REAL PARTY IN INTEREST

The real party in interest of the subject patent application is Station Casinos, Inc., the assignee of the present application.

II. RELATED APPEALS AND INTERFERENCES

There are no related appeals and interferences.

III. STATUS OF CLAIMS

Claims 1-17 are pending. Claims 1-17 stand finally rejected. Appellants appeal from the rejection of all of these claims.

IV. STATUS OF AMENDMENTS

No amendment was filed subsequent to the final rejection in the Office Action mailed December 2, 2003 ("the final Office Action").

V. SUMMARY OF THE INVENTION

A. Background

Conventional systems for user authentication are generally well known. A user authentication system verifies whether a person or device attempting to access or perform a transaction with a host computer system is a person or device entitled to access, most host computer systems require the person or device to provide information confirming identity.

Conventional user authentication techniques have been based on, for example, requesting information the user knows, an object the user possesses, and personal characteristics, the most common being information known only to the user. Examples of such information include passwords (or pass-phrases) and personal identification numbers (PINs). Cryptographic methods for authentication (including one-time passwords and challenge response protocols) also fall into this category when implemented in software or hardware. Here, the information possessed by the user is either a code key, or more likely, a PIN or password that provides access to the key (which is typically a user unfriendly random bit stream). For example, the keys used with Pretty Good Privacy (PGP) are stored in files encrypted under user-selected pass phrases.

Examples of authentication using objects the user possesses include access tokens, physical keys, smart cards, PCMCIA cards and other hardware devices, including cryptographic devices and one-time password generators. Dial-back mechanisms also fall within this category. With dial back mechanisms, the possessed object is a phone line with a specific number. Cryptographic devices are typically used with PINs to control activation of the devices. For example, the Fortezze PCMCIA cryptographic card requires a 4-digit PIN for activation.

Examples of personal characteristics include biometric characteristics including finger and thumb prints, hand geometry, voice prints, retinal scans and keystroke patterns. Handwritten signatures fall into this category, although they might also be used viewed as based on information the user knows.

One conventional technique utilizes the client's geodetic location (latitude, longitude and height) as the basis for initial registration of the client and for subsequent log-in authorizations for access to a host computer network or other protected enclave. Disadvantageously, such conventional user authentication techniques do not allow or provide for authorization when such authorization is based upon the client's location within a predefined geographical area in order to remotely access a sports book. More specifically, this issue arises in geographical areas that allow gambling such as the State of Nevada. Many Nevada casinos include sports books where gamblers may place bets on various sporting events and other types of events. Many sports books allow gamblers to place bets via telephones. However, the laws generally require that the telephone calls be made within the legal jurisdiction of the casino.

Recently, the Nevada Gaming Control Board mandated that all new and existing systems must now include a method for ensuring that all telephone wagers take place within the state of Nevada. Telephone-only based systems for allowing the placement of bets is no option since such system cannot determine the location of the user. Even if the location of users can be determined, it is relatively easy to defeat such systems. In addition, the aforementioned authentication methods generally will not be helpful in ensuring that the gambler is placing a telephone call from within the state of Nevada.

Therefore there is a need to resolve the aforementioned disadvantages of conventional authentication systems particularly with regard to remote access to gambling systems and the present invention meets this need.

B. The Present Invention

The present invention provides systems and methods for verifying that a user is located within a predefined geographical location. One such method includes, among other steps, forwarding a verification number to the user. The verification number is received by the user only if the user is located within the predefined geographical area, the verification number is then received from the user. The verification number forwarded is verified as being the same verification number received. In one embodiment, the user has a pager that is only operable in the predefined geographical and the verification number is forwarded to this pager.

The present invention also provides a verification system that comprises, among other things, one or more pagers for communicating with a transmitting system and a control system for receiving a signal requesting remote access to a betting system. Upon receipt of the signal, the control signal forwards an authorization number to the transmitting system and the transmitting system forwards the authorization number to the user pager. The user pager is capable of receiving the authorization number only when within a predefined geographical area.

VI. ISSUES PRESENTED

The issue on appeal is:

Is claim 1 obvious in view of U.S. Patent No. 6,508,710 ("Paravia") in view U.S. Patent No. 5,787,173 ("Seheidt et al.")?

Are claims 2-17 obvious in view of Paravia and Seheidt et al, further in view of U.S. Patent No. 6,011,485 ("Wicks") or U.S. Patent No. 5,999,808 ("LaDue")?

VII. GROUPING OF CLAIMS

Claims 1, 3, 10 and 15 are independent claims. The remaining claims depend upon one of the independent claims. For purposes of this appeal, claim 2 may stand or fall with

claim 1, claims 4-9 may stand or fall with claim 3, claims 11-14 may stand or fall with claim 10, and claim 15 may stand or fall alone.

VIII. ARGUMENT

In his Final Rejection, the Examiner rejected Claim 1 under 35 U.S.C. 103(a) as being unpatentable over Paravia et al (6,508,710) in view of Seheidt et al (5,787,173).

Regarding claim 1, the Examiner contends that Paravia teaches a gambling system employing a location verifier system for verifying that a user is located within a predefined geographical area, after which the user is allowed to place a wager on a sports book, the system comprising a transmitting system having one or more transmitters; a control system for receiving a signal requesting remote access to a betting system and the transmitting of an authorization number {a password- #1142, Fig. 13} (abstract; Fig. 14 and Fig. 15). While Paravia teaches the use of various techniques for granting the user access to the sports wagering game (col. 2, lines 11-12), Paravia is silent regarding the feature of receiving and transmitting a verification number to and from the user in order to allow play. As indicated in the initial Office Action, this feature is known in cryptographic verification systems as a handshaking process. In an analogous system of verification of user identity, Seheidt teaches a handshaking system in which there is transmission and reception of verification information {cryptographic key data} from a remote site to a user and back from a user (abstract; Fig. 1). It would have been obvious to a person of ordinary skill in the art at the time of the invention to enhance the verification/authorization system of Paravia, by sending and receiving the password verification number of Paravia in a handshaking manner, as disclosed by Seheidt, in order to make gaming more secure.

Claims 2-17 stand rejected under 35 U.S.C. 103(a) as being unpatentable over *Paravia* et al (6,508,710) in view of *Seheidt* et al (5,787,173), further in view of *Wicks* or *LaDue* (5,999,808). The Examiner contends that Paravia and Seheidt teach all the limitations of the claims as disclosed above. The references lack an explicit disclosure of a pager for wagering, in an analogous wagering system, Wicks or LaDue teach the use of a pager for placing wagers (Wicks- abstract; Fig. 2; LaDue- abstract; Fig. 9). It would have been obvious to a person of

ordinary skill in the art to enhance Paravia and Seheidt by utilizing a pager for the wagering device, in order to make the system easier to play from various locations and easier to transport.

It is respectfully submitted that in order to establish a prima facie case of obviousness, three basic criteria must be met. First, the Examiner must identify prior art declaring all the salient elements recited in the claims. Second, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art to modify the reference or to combine reference teachings. Third, there must be a reasonable expectation that once combined the elements will work as expected. The teaching or suggestion to make the claimed combination and the reasonable expectation of success must both be found in the prior art, and not based on Applicant's disclosure. In Re Vaeck, 947 F.2d 488, 20 USPQ 2d 1438 (Fed. Cir. 1991).

As will become apparent herein, it respectfully submitted that all of the elements recited in Applicant's claims are not taught or even suggested in Paravia, Seheidt, et al. or Wicks. Specifically, Paravia, Seheidt and Wicks do not disclose systems and methods that forward a verification number to a user where the user only receives the verification number if located within a predetermined or predefined area, and then the verification number is received from the user, thereby indicating the user's location within the predetermined or predefined area.

Claim 1 is directed to a method employing a location verifier system for verifying that a user is located in a predefined geographical area, wherein the method includes, among other steps, forwarding a verification number to the user. The verification number is received by the user only if the user is located within the predefined geographical area, the verification number is then received from the user. The verification number forwarded is verified as being the same verification number received.

In contrast thereto, as the Examiner acknowledges in the office action, Paravia discloses using various techniques for granting the user access to the sports wagering system such as automatic number identification (ANI), i.e., "Caller I.D." As the Examiner further acknowledges, nowhere does Paravia disclose forwarding a verification number to a user where the user only receives the verification number if he is within a predetermined geographical area, then receiving the verification number back from the user and verifying that the verification

number received is the same verification number that was forwarded. Indeed, this is not necessary since Paravia uses other techniques such as ANI with the initial contact from the user.

Likewise, Seheidt does not disclose forwarding a verification number to a user where the user only receives the verification number if he is within a predetermined geographical area, then receiving the verification number back from the user and verifying that the verification number received is the same verification number that was forwarded. While the Examiner refers to a "handshaking process," applicants respectfully point out that what is claimed is not a general "handshaking process" but specifically (in claim 1) is "forwarding a verification number to the user, the verification number being received by the user only if the user is located within the predefined geographical area" and then "receiving the verification number from the user," and "verifying the verification number forwarded is the same verification number received." Thus, the number is passed from point A to point B and back to point A from point B, but point A only receives the number if it is within a predetermined geographical area.

In contrast thereto, Seheidt discloses using a split key scheme that sends two different key components, one from a transmit location and another from a receive location. Seheidt does not disclose or even suggest forwarding a verification number to a user (wherein the verification number is received by the user only if the user is located within a predefined geographical area), then receiving the verification number back from the user and verifying that the verification number received is the same verification number that was originally forwarded.

Accordingly, it is respectfully submitted that claim 1 is allowable for at least the above-discussed reasons.

With regard to claims 2-17, it is respectfully submitted that Wicks and LaDue do not make up for the lack of teaching in Paravia and Seheidt. Wicks mentions possibly using a pager at a sporting event site merely for providing information and, thus, may be used for "on-site" or "off-track" betting (see top of column 5). No location verification is ever mentioned in Wicks. LaDue merely discloses a wireless gaming method that may use pagers and that mentions using GPS for location information.

Claim 2 depends on claim 1 and therefore is allowable for at least the reasons claim 1 is allowable. Claim 2 further defines the features of applicants' invention.

Claim 3 is directed to a verification system that comprises, among other things, one or more pagers for communicating with a transmitting system and a control system for receiving a signal requesting remote access to a betting system. Upon receipt of the signal, the control signal forwards an authorization number to the transmitting system and the transmitting system forwards the authorization number to the user pager. The user pager is capable of receiving the authorization number only when within a predefined geographical area. It is respectfully submitted that, for at least the above-discussed reasons, none of the cited references discloses such a system. Accordingly, it is respectfully submitted that claim 3 is allowable.

Claims 4-9 depend on claim 3 and, therefore, they are allowable for at least the reasons claim 3 is allowable.

Claim 10 is directed to a method used by a location verifier system for verifying a user's location within an area, wherein the method comprises, among other things, randomly generating a verification number responsive to a signal for requesting access to a betting system, forwarding the verification number such that the verification number travels no further than a predefined geographic location, receiving the verification number and, if the verification number forwarded is the same as the verification number received, allowing remote access to the betting system. It is respectfully submitted that, for at least the above-discussed reasons, none of the cited references, either alone or in combination, teach, disclose, or even suggest such a method. Accordingly, it is respectfully submitted that claim 10 is allowable.

Claims 11-14 depend on claim 10 and, therefore, they are allowable for at least the reasons claim 10 is allowable.

Claim 15 is directed to a method of verifying a user's location within an area and includes, among other things, generating by a control center a number for verifying that the user is within a predefined geographical area; forwarding by the control center, the number to a pager, wherein the pager receives the number only when within the predefined geographical area; and forwarding by the user, the verification number to the control center. It is respectfully submitted that, for at least the above-discussed reason, none of the cited references, either alone

or in combination, teach, disclose, or even suggest such a method. Accordingly, it is respectfully submitted that claim 15 is allowable.

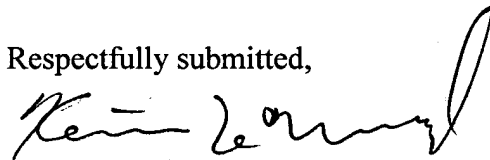
Claims 16 and 17 depend on claim 15 and, therefore, they are allowable for at least the reasons claim 15 is allowable.

Finally, while the Examiner indicates that he takes official notice of handshaking verification systems, it is respectfully submitted that there are no systems or methods as described above wherein, among other things, verification numbers are forwarded such that they may only be received by a user if that user is within a predetermined or predefined geographical area, and then the verification number is forwarded back by the user, thereby indicating the location of the user within the predetermined or predefined geographical region. Accordingly, it is respectfully submitted that all claims in this application are allowable for at least the reasons discussed herein. Thus, it is respectfully submitted that the cited references cannot be combined to establish a prima facie case of obviousness and the rejection of the claims is improper.

CONCLUSION

In view of the foregoing Argument, Appellants respectfully request that the obviousness rejection as to all of the pending claims be reversed.

Respectfully submitted,



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Attachments
KTL

Claims Appendix

1. A method employing a location verifier system for verifying that a user is located within a predefined geographical area, after which the user is allowed to place a telephone wager on a sports book, the method comprising:

receiving by the location verifier system, a telephone call from the user requesting access to the sports book;

forwarding a verification number to the user, the verification number being received by the user only if the user is located within the predefined geographical area;

receiving the verification number from the user;

verifying the verification number forwarded is the same verification number received;
and

permitting the user to place the telephone wager on the sports book.

2. The method of claim 1 wherein forwarding the verification number further comprises

forwarding the verification number to a user pager operable only within the predefined geographical area; and receiving the verification number further comprises

receiving the verification number from the user after the verification number is retrieved from the user pager.

3. A verification system comprising:

a transmitting system having one or more transmitters;

one or more pagers for communicating with the transmitting system;

a control system for receiving a signal requesting remote access to a betting system;

upon receipt of the signal, the control system forwards an authorization number to the transmitting system;

the transmitting system forwarding the authorization number to the user pager;

the user pager being capable of receiving the authorization number only when within the predefined geographical area; and

a communication channel for returning the authorization number to the control system after receipt by the user pager, such that the control system allows remote access to the betting system after the authorization number is received.

4. The system of claim 3 wherein the betting system is for allowing gamblers to place wagers on various sporting games and events.
5. The system of claim 3 wherein the control system is a casino control center.
6. The system of claim 3 further comprising wherein each user pager is assigned to a gambler.
7. The system of claim 3 wherein the transmitting system further comprises three transmitters each tactically placed relative to each other to cover the predefined geographic area.
8. The system of claim 3 wherein the signal is a telephone call.
9. The system of claim 3 further comprising a computer system communicably coupled to the communication channel for generating the signal and for returning the authorization number to the control system.
10. A method used by a location verifier system for verifying a user's location within an area to enable remote access to a betting system, the method comprising:
 - receiving a signal for requesting access to the betting system;
 - randomly generating a verification number responsive to the signal;
 - forwarding the verification number such that the verification number travels no further than a predefined geographic location;
 - receiving the verification number; and
 - if the verification number forwarded is the same as the verification number received, allowing remote access to the betting system.
11. The method of claim 10 wherein forwarding the verification number further comprises forwarding the verification number to a user pager, and receiving the verification number further comprises

receiving the verification number from the user.

12. The method of claim 10 wherein forwarding the verification number further comprises

forwarding the verification number such that a user or system located outside the predefined geographic area is unable to receive the verification number.

13. The method of claim 10 wherein the signal is a telephone call from a user.

14. The method of claim 10 wherein the signal is sent via a computer and a modem.

15. A method of verifying a user's location within an area to allow remote access to a gambling system, the method comprising:

providing a pager to the user, the pager being operable only within a predefined geographical area;

communicating by the user, with a control center when the user desires to remotely access the gambling system;

generating by the control center, a number for verifying that the user is within the predefined geographical area;

forwarding by the control center, the number to the pager, the pager receiving the number only when within the predefined geographical area;

forwarding by the user, the verification number to the control center; and

providing remote access to the gambling system so that the user may remotely place wagers on the gambling system.

16. The method of claim 15 wherein the gambling system is for placing wagers remotely.

17. The method of claim 15 wherein the number is a random number generated by a random number generator.

TABLE OF CONTENTS

REAL PARTY IN INTEREST	2
RELATED APPEALS AND INTERFERENCES.....	2
STATUS OF CLAIMS	2
STATUS OF AMENDMENTS	2
SUMMARY OF THE INVENTION.....	2
ISSUES	4
GROUPING OF THE CLAIMS.....	4
ARGUMENT	5